

## **Douglas promotes notion of improving 'affordability' of Vermont**

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The Associated Press  
MONTPELIER, Vt.

Gov. James Douglas, stressing an agenda devoted to improving the "affordability" of living and working in Vermont, unveiled proposals Thursday to improve access to health care, housing and higher education while reducing costs such as property taxes.

Administration officials had begun leaking earlier in the week some of the broad themes that Douglas presented in his annual State of the State address to a joint session of the House and Senate.

Although there were still many details that were not addressed, the governor began to sketch the ideas out more fully in his speech.

The speech also offered Douglas and members of the Legislature the opportunity to honor the service of Sen. James Jeffords, who is retiring from the U.S. Senate next year after four decades of public service.

Jeffords and his wife, Liz, strode into the historic House chamber just behind the governor, winning hurrahs and a sustained standing ovation, overshadowing the introduction of the governor himself.

Still, the day was about Douglas' agenda for the coming year.

And, though he focused primarily on the future, he also touched on the partisan past. He put lawmakers on notice that he has a health reform proposal of his own, one that is much different from the one they adopted last year.

"I hope to use the coming weeks to convince you that my plan for comprehensive health care reform is both bold and balanced, far-reaching and farsighted," Douglas said.

He also admonished the Legislature for failing to adopt his proposal for a civil commitment law, which would allow the state to continue holding people convicted of violent or sexually violent crimes beyond their maximum prison release date.

The majority of the speech, however, was about some of the administration's new ideas for strengthening the state.

"We must take action now to adopt an agenda of affordability for Vermont's families," Douglas said.

The higher education initiative was the newest proposal offered by Douglas. He said too many of the state's youth are seeking educations and then careers outside the state, draining the state's ability to develop its economy.

He proposed a \$175 million Vermont Promise Scholarship program for the next 15 years, which would be paid by a boost in money from the national tobacco lawsuit settlement.

Students who accepted the scholarships would be expected to spend at least the first three years of their working careers in Vermont, or they would have to pay the money back.

The governor said some of the reason that so many people are leaving Vermont is the cost of living here.

"For all the quality of life we enjoy, a lifetime in Vermont is becoming financially out of reach for middle and low-income residents, many of whom are native Vermonters whose families go back generations," he said. "The long-term cultural and economic consequences of this trend are significant and the threat to that famed quality of life is all too real."

He focused in particular on the education property tax. He outlined how student enrollment has dropped since the Act 60 education funding law was adopted and the property taxes collected had soared.

"When enrollment is dropping, but spending is rising and taxes are soaring, we have a problem that requires immediate action," he said.

He offered proposals for capping local spending and reducing the money spent on "income sensitivity," a provision that turns the property tax into a hybrid income tax, ideas that already have been greeted coldly by legislative leaders. He also called for ending the state education property tax on working farmland.

Another method of promoting the state's economy for young people, he said, would be capitalizing on those things for which Vermont is well known, particularly its environment. He called for the creation of "opportunity zones" that "will encourage municipalities to plan for their future needs, and will stimulate smart growth by streamlining permitting in those zones." He also promoted working with housing advocates to help deal with the growing cost of buying a home.

Without offering particulars, Douglas called for creating a business climate that would attract companies devoted to environmental technology.

"Vermont must leverage its incomparable commitment to the environment to become the Silicon Valley for environmental industries, or, as Lieutenant Governor (Brian) Dubie envisions, the 'Green Valley,'" he said.

The speech also was an opportunity for Douglas to recognize Jeffords, whom he saluted midway through the address to another sustained round of applause, and Vermont National Guard members who have recently returned from overseas deployments.